



City of Austin

P.O. Box 1088, Austin, TX 78767
www.cityofaustin.org/housing

Housing and Planning Department

March 25, 2021

River Street Residences: 61-69 Rainey St and 60 East Ave (Project ID 790) Rainey Street Subdistrict and Downtown Density Bonus Program Certification Letter

TO WHOM IT MAY CONCERN:

Owners 61 Rainey Street LLC, 60 Rainey Street LLC and River Street Partners LLC (development representative: Amanda Swor with Drenner Group PC; tel: 512.807.2904; email: aswor@drennergrouppc.com) are planning to develop a development with **409** residential rental units and ground floor retail/restaurant space under site plan SP-2020-0465C. The project is located at 61-69 Rainey Street and 60 East Avenue Austin, TX 78701 within Rainey Street Subdistrict Regulations and Downtown Density Bonus Programs that are located in the City's Land Development Code, 25-2-739 and 25-2-586.

The applicant has elected to exceed the forty foot height limit and achieve a greater floor-to-area (FAR) of 8:1. To do so the applicant must reserve at least 5% of the square footage of dwelling units developed within the 8:1 FAR to those whose household income is 80% or below the median family income in the Austin statistical metropolitan area (MFI). This project is defined as a non-mixed-use project as in it has less than 25% of its floor area in a use different from a predominate use as described by Section 24-2-586(A)(11) of the City Code. In meeting the 5% requirement, this non-mixed-use project shall provide on-site affordable housing in proportion to the amount of net square footage in the project devoted to residential uses. The amount of square footage that must be reserved for affordable housing is calculated below:

- Total building gross sq. ft.: 505,409
- Total net sq. ft. devoted to residential use: 406,815
- Residential % of entire project: 406,815 sq. ft. / 505,409 sq. ft. = 80%
- Net Residential sq. ft. in 8:1 = 151,867
- 5% requirement = 151,867*5% = 7,593 net sq. ft.
- Estimated net sq ft required to be reserved for affordable housing = 7,593

In addition to the 5% of required on-site affordable square footage for development up to 8:1 FAR, the applicant has elected to meet the Downtown Density Bonus Program Affordable Housing Community Benefits requirements in part through the dedication of an additional 7,586 square feet above the 8:1 FAR to on-site affordable housing.

The applicant has indicated the combined 15,179 affordable square footage equates **to the following units: 22 -One Bedrooms (475 avg sq ft), 2 – Two Bedroom (1,100 avg sq ft) and 1 – Three Bedroom (1,700 avg sq ft).** The following affordability requirements must be met under the Rainey Street Subdistrict Regulations:

- The affordability period for housing units shall be **forty years (40) for rental housing** and ninety-nine years for on-site for sale housing. The affordability period begins on the date a certificate of occupancy is issued.

- On-site affordable housing units offered for sale shall be reserved, sold, and transferred to an income eligible buyer subject to a land use restriction approved by the director of the Housing and Planning Department.
- An applicant may not deny a prospective tenant affordable rental housing based solely on the prospective tenant's participation in the Housing Choice Voucher Program or in any other housing voucher program that provides rental assistance.
- The bedroom count mix for the affordable units must be proportional to the overall bedroom count mix within an overall development.
- A unit is affordable for purchase or rental if, in addition to the other requirements of this section, the household is required to spend no more than 30 percent of its gross monthly income on mortgage or rental payments for the unit.

For compliance with the Downtown Density Bonus Program Affordable Housing Community Benefits, the applicant has elected to pay a fee-in-lieu for 50% of the desired bonus area towards affordable housing, which the applicant has indicated will be an estimated **\$1,204,585**.

The Housing and Planning Department (HPD) certifies that the project, at the pre-submittal stage, meets the Rainey Street Subdistrict Regulations and the Downtown Town Density Bonus, Affordable Housing Community Benefits requirements. If changes are made through the review process, the applicant must notify HPD and a revised Affordability Certification letter must be issued. An administrative hold will be placed on the building permit(s), until the following items have been completed: 1) fee-in-lieu calculation and the number of affordable units have been finalized evidenced through a sealed letter from project architect and/or engineer, 2) the fee-in-lieu has been paid in full to the Housing and Planning Department and 3) the Restrictive Covenant stating the affordability requirements and terms has been filed for record at the Travis County Clerk Office.

No sales contracts, for the affordable units, shall be entered into until the City of Housing and Planning Development (HPD) has determined the buyer to be an income eligible buyer.

Any condominium declaration recorded over the property or portion of the property, shall include HPD approved provisions to ensure preservation of the affordable units.

Please contact me by phone 512.974.2108 or by email at alex.radtke@austintexas.gov if you need additional information.

Sincerely



Alex Radtke, Senior Planner
Housing and Planning Department